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New Contract Awards Announced for State Group Health Insurance

State Workers can sign up for Blue Cross/Blue Shield of Delaware and Aetna during Open Enrollment

Dover –The State Employee Benefits Committee (SEBC) yesterday announced that Blue Cross Blue Shield of Delaware and Aetna were awarded the contracts to administer the state group health insurance program for eligible state employees and pensioners.

Blue Cross Blue Shield of Delaware was awarded the contract for the Indemnity/PPO health plan. This will include a comprehensive PPO plan and a new First State Basic Plan. Both Aetna and Blue Cross Blue Shield of Delaware were selected to administer HMO health plans for state employees.

The state went out for a joint bid for Group Health Insurance and for the Delaware Medicaid Managed Care Program last fall in order to attain the most competitive and comprehensive bids for both populations.

"This was certainly a successful bid process," Governor Ruth Ann Minner said. "I am pleased that state employees will have an even greater selection of health care services to meet their individual needs."

State Employees will be able to enroll in either Blue Cross Blue Shield of Delaware or Aetna during open enrollment which begins in May. Employees currently covered by another carrier will continue to receive services with their current provider until July 1, 2007. Savings realized as a result of the request for proposal process will accrue to state employees and retirees in the group health insurance programs.

All employees currently enrolled in the Basic, Basic with Wrap and the First State Health plans will default into the new First State Basic Plan if they do not make a positive election during the Open Enrollment period. All Medicare beneficiaries in the Group Health Insurance Program will be enrolled into the Special Medicfill Program. Employees currently enrolled in Coventry who do not make a positive election during the open enrollment period will default to Aetna's HMO plan.

The State and Aetna will make every effort to ensure a smooth transition for those affected employees while minimizing any service disruption. This would include expanding Aetna's current customer service workforce in Dover as needed in addition to recruiting additional health care providers that may not currently participate in the Aetna network.

One new feature this year is a new health plan offering, known as the First State Basic Plan, which will be administered by Blue Cross Blue Shield of Delaware. This plan replaces the previous Basic and First State Health Plans and offers prescription drug coverage and a \$500 annual deductible for individuals and a \$1,000 annual deductible for families. Services such as routine wellness visits and immunizations would be fully covered under the new First State Basic Plan.

"On behalf of the State Employee Benefits Advisory Committee, I appreciate the efforts of the SEBC to offer a quality health care program for state employees and retirees.", said Ed Tos, Chair of the State Employee Benefits Advisory Committee. "We look forward to improvements in both services and service delivery."

"The 2007 expanded benefits package clearly illustrates the state's continued commitment to ensure we offer the best possible health care options for our valuable state workers," said Jennifer Davis, Director of the Office of Management and Budget and chair of the SEBC. "On behalf of the SEBC, I would like to thank Coventry, Blue Cross Blue Shield and Aetna for their participation."